

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets — Internal Service Funds
YTD as of December 31, 2012

1/17/2013

	YTD 12/31/2012	YTD 12/31/2011	Full Year 6/30/2012	Full Year 6/30/2011	Full Year 6/30/2010
Operating revenues:					
Operating income	\$ 64,083,652	\$ 62,101,972	\$ 122,941,566	\$ 119,211,913	112,927,735
Other income				884	97,894
Investment income	130,674	151,047	443,209	498,476	779,620
Total operating revenues	\$ 64,214,325	\$ 62,253,019	\$ 123,384,775	\$ 119,711,273	\$ 113,805,250
Operating expenses:					
Losses and loss expenses	57,435,916	53,479,923	114,179,304	111,900,464	101,098,908
All other expenses	3,591,065	3,429,825	7,060,881	8,621,004	13,570,703
Total operating expenses	\$ 61,026,981	\$ 56,909,748	\$ 121,240,185	\$ 120,521,468	\$ 114,669,611
Nonoperating revenues:					
Capital contributions	0	0	0	49,990	
Transfers to Other Funds	0	0	0	(1,380,291)	
Loss on disposal of capital assets	0	0	0	(3,273)	
Total nonoperating revenues	\$ -	\$ -	\$ -	\$ (1,333,574)	\$ -
Change in net assets	3,187,344	5,343,271	2,144,590	(2,143,769)	(864,361)
Total net assets - Beginning	43,167,723	41,023,133	41,023,133	43,166,902	44,031,264
Total net assets - Ending	\$ 46,355,067	\$ 46,366,404	\$ 43,167,723	\$ 41,023,133	\$ 43,166,902

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
December 31, 2012, December 31, 2011, June 30, 2012, June 30, 2011, and June 30, 2010

	12/31/2012	12/31/2011	6/30/2012	6/30/2011	6/30/2010
Assets					
Cash and cash equivalents	\$ 59,079,560	\$ 60,823,355	\$ 60,636,639	\$ 57,181,449	\$ 56,235,460
Interest receivable	42,598	3,563	42,598	3,563	81,358
Accounts receivable	1,538,619	804,520	924,206	898,195	1,260,064
Prepaid insurance	3,221,004	102,572	1,411,102	852,807	110,532
Capital assets, net	0	0	0	0	4,013
Total assets	\$ 63,881,781	\$ 61,734,009	\$ 63,014,546	\$ 58,936,014	\$ 57,691,427
Liabilities					
Accounts payable	14,987	132,247	88,404	124,271	512,556
Accrued Liabilities	4,532,333	2,506,098	5,554,366	2,382,967	3,243,514
Employee compensation payable	3,273,069	3,293,071	3,268,085	3,290,574	2,263,426
Reserve for losses and loss expenses	9,706,327	9,436,189	10,935,968	12,115,069	8,505,029
Total liabilities	\$ 17,526,716	\$ 15,367,605	\$ 19,846,823	\$ 17,912,882	\$ 14,524,525
Net Assets					
Invested in capital assets	0			0	4,013
Unrestricted (deficit)	46,355,067	46,366,404	43,167,722	41,023,133	43,162,889
Total net assets (deficit)	\$ 46,355,067	\$ 46,366,404	\$ 43,167,722	\$ 41,023,133	\$ 43,166,902

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Six Months Ended December 31, 2012

Self Insured Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance 7/1/2012</u>	<u>Fund Balance 12/31/2012</u>
601-CMG MEDICAL	\$ 24,340,737	\$ 25,796,868	\$ 1,456,130	\$ (3,175,089)	\$ (1,718,959)
602-CMG LOW OPTION				1,141,584	1,141,584
603-OAP IN				(1,764,074)	(1,764,074)
604-OAP MEDICAL	16,189,751	17,515,629	1,325,878	(2,034,662)	(708,784)
605-OAP LOW OPTION				1,938,145	1,938,145
606-CHOICE FUND H.S.A.	6,925,298	7,432,935	507,636	819,805	1,327,441
614-BEHAVIORAL HEALTH	1,090,284	925,091	(165,193)	5,304,061	5,138,868
Total Medical & BH	\$ 48,546,070	\$ 51,670,522	\$ 3,124,451	\$ 2,229,770	\$ 5,354,221
629-SI DENTAL	1,932,282	1,902,489	(29,794)	5,089,287	5,059,493
Total Dental	\$ 1,932,282	\$ 1,902,489	\$ (29,794)	\$ 5,089,287	\$ 5,059,493
608-COINSURANCE PHARMACY	6,677,639	6,142,917	(534,722)	17,461,014	16,926,292
609-CONSUMER CHOICE			0	1,261,278	1,261,278
619-ONSITE PHARMACY CLINIC	913,086	746,219	(166,867)	0	(166,867)
620- BENEFITS ELIMINATIONS*	(533,008)	(533,008)	0	0	0
Total Pharmacy	\$ 7,057,717	\$ 6,356,129	\$ (701,589)	\$ 18,722,292	\$ 18,020,703
623-VISION	865,209	742,820	(122,388)	168,475	46,087
Total Vision	\$ 865,209	\$ 742,820	\$ (122,388)	\$ 168,475	\$ 46,087
615-WELLNESS	162,733	881,740	719,007	2,926,118	3,645,125
618-BENEFIT ADMINISTRATION	921,115	1,181,861	260,746	5,304,248	5,564,994
999-BENEFITS CLEARING			0		0
Total Other	\$ 1,083,848	\$ 2,063,600	\$ 979,752	\$ 8,230,366	\$ 9,210,118
Grand Total	\$ 59,485,127	\$ 62,735,560	\$ 3,250,433	\$ 34,440,190	\$ 37,690,623

Employee Self Insured Funds

611-60 PERCENT STD	831,402	715,500	(115,903)	6,909,543	6,793,640
612-50 PERCENT STD	110,268	158,709	48,442	1,110,613	1,159,055
613-40 PERCENT STD	67,177	71,549	4,371	707,378	711,749
Total STD	\$ 1,008,847	\$ 945,758	\$ (63,090)	\$ 8,727,534	\$ 8,664,444
Total Self-Insured	\$ 60,493,974	\$ 63,681,317	\$ 3,187,343	\$ 43,167,723	\$ 46,355,067

Fully Insured (Agency) Funds

<u>Fund</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>Net</u>	<u>Fund Balance 7/1/2012</u>	<u>Fund Balance 12/31/2012</u>
607-FI DENTAL PPO	\$ 2,464,639	\$ 2,462,836	\$ (1,803)	\$ 68,952	\$ 67,149
625-FI PREPAID DENTAL	186,753	186,575	(178)	109,890	109,712
Total Dental	\$ 2,651,392	\$ 2,649,411	\$ (1,981)	\$ 178,842	\$ 176,861
621-FLEX SPENDING HEALTH	1,474,191	1,189,325	(284,866)	0	(284,866)
622-FLEX SPENDING DEP CARE	305,328	447,202	141,874	0	141,874
Total FSA	\$ 1,779,519	\$ 1,636,527	\$ (142,992)	\$ -	\$ (142,992)
626-FI LIFE AND AD AND D	184,744	181,973	(2,770)	43,077	40,307
627-SUPPLEMENTAL LIFE	1,587,602	1,590,647	3,045	232,046	235,091
630-DEPENDENT LIFE	174,329	174,073	(256)	10,486	10,230
Total Life and AD&D	\$ 1,946,675	\$ 1,946,693	\$ 19	\$ 285,609	\$ 285,628
628-EMPLOYEE ASSISTANCE	107,481	107,776	295	739	1,034
631-VOLUNTARY BENEFITS	430,608	448,537	17,930	3,198	21,128
632-CIGNA FOR SENIORS	341,304	342,142	838	86,403	87,241
Total Others	\$ 879,392	\$ 898,455	\$ 19,063	\$ 90,340	\$ 109,403
Total Agency Funds	\$ 7,256,978	\$ 7,131,087	\$ (125,892)	\$ 554,791	\$ 428,899

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Six Months Ended December 31, 2012

Self Insured Funds

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
<u>Revenue</u>				
601-CMG MEDICAL	\$ 22,654,656	\$ 25,796,868	\$ 3,142,212	13.87%
604-OAP MEDICAL	21,833,508	17,515,629	(4,317,879)	-19.78%
606-CHOICE FUND H.S.A.	6,119,562	7,432,935	1,313,373	21.46%
614-BEHAVIORAL HEALTH	944,952	925,091	(19,861)	-2.10%
Total Medical & BH	\$ 51,552,678	\$ 51,670,522	117,844	0.23%
629-SI DENTAL	1,836,198	1,902,489	66,291	3.61%
Total Dental	\$ 1,836,198	\$ 1,902,489	66,291	3.61%
608-COINSURANCE PHARMACY	6,292,440	6,142,917	(149,523)	-2.38%
619-ONSITE PHARMACY CLINIC	535,002	746,219	211,217	
620- BENEFITS ELIMINATIONS	(535,002)	(533,008)	1,994	
Total Pharmacy	\$ 6,292,440	\$ 6,356,128	61,694	0.98%
623-VISION	768,750	742,820	(25,930)	-3.37%
Total Vision	\$ 768,750	\$ 742,820	(25,930)	-3.37%
615-WELLNESS	794,808	881,740	86,932	10.94%
618-BENEFIT ADMINISTRATION	1,087,736	1,181,861	94,125	8.65%
999-BENEFITS CLEARING	-	0		
Total Other	\$ 1,882,544	\$ 2,063,601	\$ 181,057	9.62%
Grand Total	\$ 62,332,610	\$ 62,735,560	\$ 400,956	0.64%

Employee Self Insured Funds

611-60 PERCENT STD	\$ 704,076	\$ 715,500	\$ (11,424)	-1.62%
612-50 PERCENT STD	152,280	158,709	(6,429)	-4.22%
613-40 PERCENT STD	71,094	71,549	(455)	-0.64%
Total STD	\$ 927,450	\$ 945,758	(18,308)	-1.97%
Total Revenue	\$ 63,260,060	\$ 63,681,317	382,648	0.60%

Expenses

601-CMG MEDICAL	\$ 22,577,893	\$ 24,340,736	\$ (1,762,843)	-7.81%
604-OAP MEDICAL	21,664,181	16,189,751	5,474,430	25.27%
606-CHOICE FUND H.S.A.	7,138,697	6,925,298	213,399	2.99%
614-BEHAVIORAL HEALTH	944,952	1,090,284	(145,332)	-15.38%
Total Medical & BH	\$ 52,325,723	\$ 48,546,069	\$ 3,779,654	7.22%
629-SI DENTAL	1,839,547	1,932,282	(92,735)	-5.04%
Total Dental	\$ 1,839,547	\$ 1,932,282	(92,735)	-5.04%
608-COINSURANCE PHARMACY	6,292,440	6,677,639	(385,199)	-6.12%
619-ONSITE PHARMACY CLINIC	615,996	913,086	(297,090)	-48.23%
620- BENEFITS ELIMINATIONS	(535,002)	(533,008)	(1,994)	0.37%
Total Pharmacy	\$ 6,373,434	\$ 7,057,717	(684,283)	-10.74%
623-VISION	904,972	865,209	39,763	
Total Vision	\$ 904,972	\$ 865,209	39,763	4.39%
615-WELLNESS	351,537	162,733	188,804	
618-BENEFIT ADMINISTRATION	1,108,995	921,115	187,880	16.94%
Total Other	\$ 1,460,532	\$ 1,083,848	\$ 376,684	25.79%
Grand Total	\$ 62,904,208	\$ 59,485,126	\$ 3,419,082	5.44%

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Notes to Financial Statements
December 2012

NOTE 1 – Interest Receivable Held with the Treasurer

Interest Receivable represents the Trust's share of the amortization of zero coupon bond discounts and the unpaid but earned portion of bond coupons which are normally paid every six months on varying dates. The trust has all cash invested with the Maricopa County Treasurer in the investment pool. This pool consists of U S Government Securities that have up to a three year maturity.

NOTE 2 – Accounts Receivable

Accounts Receivable included \$106,422 for COBRA premium, \$1,664 for Vision, \$2,294 for Dental, \$746,219 for WHI Rebates, \$682,021 for OnSite Pharmacy Clinic..

NOTE 3 – Pre-Paid Insurance

Pre-Paid insurance included \$94,567 for Sedgwick, \$4,989 for Vision plan, \$97,031 for Dental, and \$3,024,418 for Medical. Compare to November 12, Pre paid insurance increased \$1.5 million due to County changed funding of claims process. The \$1.45million was the balance of Cigna Catalyst Bank Account as of December 31, 2012, that monies is going to pay County's Medical and Dental Claims by Cigna.

NOTE 4 – Capital Equipment

This is for the Ergonomics AstroVan purchased in 2000. All equipment has been fully depreciated as of June 30, 2012

NOTE 5 – Accounts Payable

Accounts Payable included \$13,942 for Behavioral Health (Magellan Health Services), \$1,045 for Benefit Administration (Serene Corporation.)

NOTE 6 – Accrued Liabilities

Accrued Liabilities fluctuates monthly mainly due to the amount of outstanding checks that have not been cashed by providers. That included \$1,339,686 for Medical, \$1,031,787 for Pharmacy, \$32,500 for Behavioral Health, \$159,837 for Dental, \$12,000 for STD, \$23,474 for Benefit Administration (\$11,667 is for Mercer & \$11,807 is for OptumHealth), \$355,167 for Onsite Pharmacy, and \$1,577,881 for Fund 999- Benefits Clearing.

NOTE 7 – Employee Compensation Payable

Employee Compensation Payable includes in FY2012 unused employee pharmacy allowance for the WHI Consumer Choice Pharmacy plan of \$3,122,217. The remaining balance \$150,852 is accrued salaries as of month end, plus employee vacations earnings payable.

NOTE 8 – Reserve for losses and loss expenses

The funds establish claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. As of September 2012, the Reserve for losses and loss expenses is \$9,706,327 that included \$8,558,779 for Medical, \$231,766 for Behavioral health, \$107,576 for Vision, \$484,345 for Dental, and \$323,861 for STD.